Exhibit C

Filsinger Declaration

Hearing Date: February 7, 2018 at 9:30 a.m. (Eastern Standard Time)
Objection Deadline: February 1, 2018 at 5:00 p.m. (Eastern Standard Time)

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of THE COMMONWEALTH OF PUERTO RICO, *et al.* Debtors.[1]	PROMESA Title III No. 17 BK 3283-LTS (Jointly Administered)
In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of PUERTO RICO ELECTRIC POWER AUTHORITY ("PREPA"), Debtor.	PROMESA Title III No. 17 BK 4780-LTS **Court Filing Relates Only to PREPA and Shall Only be Filed in Case No. 17-BK-4780 (LTS) and Main Case 17-BK-3283 (LTS)**

DECLARATION OF TODD W. FILSINGER IN SUPPORT OF URGENT JOINT MOTION OF THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO AND THE PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY FOR ENTRY OF INTERIM AND FINAL ORDERS (A) AUTHORIZING POSTPETITION SECURED FINANCING, (B) GRANTING PRIMING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS, (C) MODIFYING THE AUTOMATIC STAY, (D) SCHEDULING A FINAL HEARING, AND (E) GRANTING RELATED RELIEF

[1] The Debtors in these Title III Cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747).

Pursuant to 28 U.S.C. § 1746, I, Todd W. Filsinger, hereby declare as follows under penalty of perjury under the laws of the United States of America:

1. I am a Senior Managing Director of Filsinger Energy Partners ("FEP"). I currently serve as the Chief Financial Advisor ("CFA") to the Puerto Rico Electric Power Authority ("PREPA" or the "Debtor"), and I report to its Governing Board. The scope of my responsibilities for PREPA includes: (i) responsibility for the financial oversight, financial management and reporting of PREPA, including the development of any budgets; (ii) responsibility for the cash management of PREPA, including reviewing and approving (or establishing processes for review and approval of) expenditures and transfers of funds; (iii) developing plans for, recommending and, together with the Executive Director, implementing operational reforms; (iv) working with the Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF") on restructuring, fiscal and transformation plans and related budgets; (v) responsibility for any issues related to the pending Title III process in which PREPA's management team is involved; (vi) participating in the working group process regarding the transformation and fiscal plans and any related budgets; (vii) implementing any approved transformation plan and/or certified fiscal plan; (viii) working with the Procurement Compliance Officer and Puerto Rico's Governor Authorized Representative ("GAR") on federal funding and overseeing compliance with the GAR's requirements or other requirements related to the federal funding; (ix) interfacing with federal entities, the Procurement Compliance Officer and the GAR regarding grants and other reimbursements; (x) recommending to the Governing Board personnel changes and changes to the organizational structure; (xi) communicating with constituents and other stakeholders, including the Government of Puerto Rico, the Financial Oversight and Management Board (the "Oversight Board"), and PREPA's creditors; (xii) working with the

Executive Director on the emergency restoration and repair efforts to the extent requested by the Governing Board or the Executive Director; and (xiii) performing such other duties as are agreed to by myself and the Governing Board.

2. I submit this declaration (the "Declaration") in support of the *Urgent Joint Motion of the Financial Oversight and Management Board for Puerto Rico and the Puerto Rico Fiscal Agency and Financial Advisory Authority for Entry of Interim and Final Orders (A) Authorizing Postpetition Secured Financing, (B) Granting Priming Liens and Providing Superpriority Administrative Expense Claims, (C) Modifying the Automatic Stay, (D) Scheduling a Final Hearing, and (E) Granting Related Relief* (the "Urgent Motion")[2] filed by the Oversight Board, as the Debtor's representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA"),[3] and AAFAF, as the entity authorized to act on behalf of PREPA pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017. As discussed below, the requested financing is necessary to permit PREPA to continue to operate and thereby generate revenue.

3. Except as otherwise indicated, all facts and opinions set forth herein are based upon: (i) my personal knowledge; (ii) my review of relevant documents provided to me, including documents provided by AAFAF and the Debtor and their respective professionals and employees; (iii) information supplied to me by employees of FEP with whom I work in the ordinary course of business; and (iv) my views, based upon my experience and knowledge of the Debtor and its financial condition.

[2] Defined terms used but not defined herein shall have the same meanings given to them in the Urgent Motion.

[3] PROMESA is codified at 48 U.S.C. §§ 2101-2241.

BACKGROUND

4. PREPA is a government-owned corporation that generates, transmits, and distributes substantially all of the electric power used in the Commonwealth of Puerto Rico ("Puerto Rico" or the "Government of Puerto Rico" and , in its capacity as lender, the "Lender"). PREPA provides electric power to approximately 1.5 million customers and has approximately 2,400 miles of high voltage transmission lines and approximately 31,000 miles of distribution lines across Puerto Rico.

5. Hurricane Irma, one of the strongest hurricanes ever recorded in the Atlantic Ocean, passed Puerto Rico's north coast on September 6, 2017, substantially impairing PREPA's ability to deliver power to approximately 70% of its customers. Hurricane Maria made her historic landfall in Puerto Rico on September 20, 2017, lashing the Island for over 30 hours with sustained winds of 155 miles-per-hour in certain areas and bringing torrential rain. Hurricane Maria crossed Puerto Rico diagonally, entering through the Southeast and exiting through the Northwestern region, and left virtually no portion of the Island untouched. The hurricanes caused severe damage to the electric power system and left the Island completely without power.

6. The hurricanes struck during a time of particular weakness in Puerto Rico. It is my understanding that, due to the Island's ongoing financial crisis and inability to access the capital markets, PREPA had lacked the ability for years to upgrade and make the adequate investments to its generation, transmission and distribution infrastructure. As a result, the Debtor, one of the largest public power utilities in the United States, already faced significant operational challenges due to an old, inefficient, and unreliable transmission, delivery, and generation infrastructure. This resulted in vulnerability to outages even under normal conditions. For example, PREPA's power plants experience outages that far exceed the average number of

outages in the United States and also last longer than the average outage experienced in the United States.

THE IMPACT OF HURRICANES IRMA AND MARIA

7. PREPA's already fragile infrastructure was devastated by the combined impacts of Hurricanes Irma and Maria. The hurricanes caused catastrophic damage to the transmission and distribution system, impacted certain of the generation assets, and took down critical communications and control infrastructure. While PREPA retained sufficient generating capacity after the hurricanes, the damage to the transmission and distribution system and related communication equipment led to a total failure of the electric power grid on the Island. The hurricanes left decimated transmission and distribution lines across the Island and caused widespread wind and flooding damage to substations and generation and distribution facilities. Damage from the hurricanes resulted in the longest power outage in U.S. history, and the power outage continues to this day for a material number of PREPA customers. The hurricanes also left the Island with a devastating humanitarian crisis, with long lines for fuel and residents struggling to secure access to critical medications and basic supplies like shelter, food and water. Although the longer-term impacts of the hurricanes are difficult to measure, early data suggests that a material number of residents have left the Island and that small businesses and the agricultural sector face uncertain futures.

8. Repairs to Puerto Rico's electric system and infrastructure are ongoing. At this time, approximately 60–70% of PREPA's customers have access to lines that have been energized. PREPA's employees, outside contractors, the U.S. Army Corps of Engineers and brigades from across the United States have contributed (and continue to contribute) to the restoration efforts.

PREPA'S LIQUIDITY AND IMMEDIATE NEED FOR CASH

9. PREPA's revenues were materially and negatively impacted by the hurricanes. As a result of the devastation to Puerto Rico's power grid, PREPA has been unable to bill or collect revenues at pre-storm levels. In the immediate aftermath of the hurricanes, PREPA's collections ground to a trickle, and they have remained low because PREPA is still transmitting electricity at levels that are materially less than full capacity and critical equipment has not yet been repaired. Moreover, beyond the physical damage to transmission and distribution lines, customers' metering equipment and the accompanying communication pathways that utilize fiber optic cable or repeating stations were also damaged. The process of converting customer power usage into billings relies on these communication pathways, and the repairs to the communications systems continue to this day. Numerous customers also suffered damaged "weatherheads," which prevent customers from drawing from the grid even if power has been restored to the distribution lines servicing their homes.

10. Currently, PREPA has restored the capability of billing approximately 35–40% of its customers. Based on its regular collection cycle, PREPA expects to resume collections before March 31, 2018, but does not expect to achieve a pre-hurricanes level of collections until power is fully restored to customers in mid-2018. Moreover, PREPA also expects its collections to be adversely impacted by the significant distress of the hurricanes on the financial circumstances and wherewithal of PREPA's customers in addition to the negative demographic changes caused by outmigration resulting from the storms.

11. PREPA has prepared a weekly cash flow projection that covers the period from the week ending on January 19, 2018, through the week ending on May 4, 2018 (the "Weekly Cash Flow Projection"). The Weekly Cash Flow Projection is updated by PREPA in the

ordinary course. The most recent Weekly Cash Flow Projection, which reflects actual results through January 19, 2018, is attached to this Declaration as Exhibit A. PREPA's General Fund cash balance was approximately $187 million on January 19, 2018, and is projected to be negative by the week ending February 16, 2018. Indeed, without having implemented cash conservation measures, the General Fund cash balance would already be negative. By May 4, 2018, the cash balance is projected to be negative by approximately $481 million.

12. During the period covered by the Weekly Cash Flow Projection, PREPA is projecting receipts of approximately $330 million, representing customer collections from billing activities.

13. During the period covered by the Weekly Cash Flow Projection, PREPA projects non-hurricane restoration expenditures of approximately $925 million. The projected expenditures include approximate amounts for: (i) energy and fuel purchases ($595 million); (ii) employee disbursements ($230 million); and (iii) other disbursements: insurance, ordinary course maintenance, and certain ordinary course payables for goods and services ($100 million).

14. PREPA estimates that the total loss of revenues collected (measured as budgeted revenue collections less actual and projected cash collections) for the first six months after the hurricanes will be approximately $1.2 billion. In addition to the loss of collected revenues, PREPA has made substantial emergency expenditures necessitated by the storms. While some of the emergency expenditures already made by the Debtor will be reimbursed by the Federal Emergency Management Agency ("FEMA"), the timing and amount of certain of such reimbursements remain uncertain. PREPA's financial position for fiscal year 2018 is materially different from a revenue perspective than what was originally estimated pre-hurricanes. (*See*

Lavin Decl. [17-bk-04780; Dkt. No. 149-1] (projecting revenues of approximately $3.32 billion for Fiscal Year 2018).)

15. Without an immediate infusion of liquidity, PREPA may be forced to cease operations within the coming month.

16. On October 26, 2017, Congress enacted the *Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017*, which authorized $36.5 billion of disaster relief funds to support recovery efforts in the aftermath of Hurricanes Harvey, Irma, and Maria. The disaster relief package included approximately $4.9 billion in loans under the community disaster loan ("CDL") program for Puerto Rico, the US Virgin Islands, and local governments of Florida and Texas, subject to loan documentation. AAFAF and PREPA have been, and continue to be, actively engaged in discussions with the United States Department of the Treasury (the "Treasury Department") and FEMA about the need for a CDL. The Treasury Department and FEMA have informed the Government of Puerto Rico, however, that the federal government does not currently intend to issue CDLs directly to PREPA. Rather, any CDLs will be funded to the Government of Puerto Rico, which may then, in turn, lend certain of those funds to PREPA. In addition, the federal government announced a cash balance policy in connection with disbursement of any CDL funding, requiring the balance of Puerto Rico's Treasury Single Account to drop below a certain threshold before Puerto Rico may access the CDL. Under the current circumstances, no CDL is guaranteed and, even if one were made available to Puerto Rico for PREPA, the proceeds would not arrive in time to provide meaningful assistance to resolve PREPA's current financial crisis.

17. As a result of PREPA's liquidity crisis and the lack of immediate availability of a CDL, PREPA and AAFAF have negotiated the terms of the Facility (as defined in the Urgent Motion), with the approval of the Oversight Board.

EFFECT ON CREDITORS

18. PREPA has periodically issued bonds under the Trust Agreement to raise capital. Under the terms of the Trust Agreement, the bondholders received a pledge of Revenues as security for the bonds, subject to the payment of Current Expenses as explained below. This type of pledge is known in the municipal bond marketplace as a "net revenue pledge."

19. As a result, the interest of PREPA's secured creditors in PREPA is in PREPA's Revenues to the extent they exceed Current Expenses, including appropriate and defined operating reserves. (*See* Trust Agreement at 20.) Therefore, PREPA's secured creditors bear the risk that Revenues may be less than Current Expenses.

20. Even prior to the hurricanes, PREPA's Revenues for its fiscal year 2018 (July 1, 2017 through June 30, 2018) were not projected to exceed Current Expenses including reserves as provided for under the Trust Agreement. (*See* Lavin Decl. [17-bk-04780; Dkt. No. 149-1].) After taking into account the impact of the hurricanes, the likelihood that PREPA's Current Expenses including reserves will exceed Revenues is a virtual certainty. Without a desperately needed injection of liquidity in February 2018 from the proceeds of the proposed Facility, any future PREPA creditor recoveries will be further diminished. PREPA must generate revenue in order to pay creditor claims. The use of the Facility funds as requested will allow PREPA to continue operations so that it can generate revenue.

21. The impact of a PREPA shut down would be devastating to Puerto Rico. The Island would be left without electric service for the second time in less than six months. A significant portion of PREPA's roughly 6,000 employees would be left without employment. Essential services would be jeopardized without public electric power. If it were to occur, the damage to the people of Puerto Rico, and to Puerto Rico's future, would be incalculable.

22. When taking into consideration the financial realities of PREPA and the terms of the Facility as described in the Urgent Motion, I believe that the Facility is necessary for the continued operations of PREPA and is the best option available to PREPA under the circumstances.

[Space is intentionally left blank.]

I declare under penalty of perjury under 28 U.S.C. § 1746 that the foregoing is true and correct.

Executed this 27 day of January, 2018 at San Juan, Puerto Rico.

Todd W. Filsinger